

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 7/7/2015	(3) CONTACT/PHONE Dawn Boulanger/805-781-1835 Reva Bear/805-781-1838	
(4) SUBJECT Request to approve a FY 2015-16 professional services contract (Clerk's File) for Workforce Investment and Opportunity Act (WIOA) America's Job Center of California (AJCC) one-stop system operator services with Goodwill Central Coast in the amount of \$776,638. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve, and direct the Chairperson to sign, a professional services contract for Workforce Investment and Opportunity Act (WIOA) America's Job Center of California (AJCC) one-stop system operator services with Goodwill Central Coast for Fiscal Year 2015-16 in the amount of \$776,638.			
(6) FUNDING SOURCE(S) WIOA Federal Funds	(7) CURRENT YEAR FINANCIAL IMPACT \$776,638.00	(8) ANNUAL FINANCIAL IMPACT \$776,638.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001560		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Dawn Boulanger - 805-781-1835
Reva Bear - 805-781-1838

DATE: 7/7/2015

SUBJECT: Request to approve a FY 2015-16 professional services contract (Clerk's File) for Workforce Investment and Opportunity Act (WIOA) America's Job Center of California (AJCC) one-stop system operator services with Goodwill Central Coast in the amount of \$776,638. All Districts.

RECOMMENDATION

It is recommended that the Board approve, and direct the Chairperson to sign, a professional services contract for Workforce Investment and Opportunity Act (WIOA) America's Job Center of California (AJCC) one-stop system operator services with Goodwill Central Coast for Fiscal Year 2015-16 in the amount of \$776,638.

DISCUSSION

Background

On July 22, 2014, the Workforce Innovation and Opportunity Act (WIOA), the first legislative reform of the public workforce system in 15 years, was signed into law. WIOA supersedes the Workforce Investment Act (WIA) of 1998 and amends the Adult Education and Family Literacy Act of 1998, the Wagner-Peyser Act of 1933, and the Rehabilitation Act of 1973 and is designed to strengthen and improve the public workforce system and put job seekers back to work by helping workers acquire the skills employers need and help employers access the talent pool needed to compete in a global economy. The Law has four components, including sections affecting the following federally-funded programs:

- Title I "Workforce Development System" (services provided via workforce development contracts with the County (this contract), and the Department of Social Services and the California Employment Development Department via Memorandums of Understanding)
- Title II Adult Education and Literacy Programs (services provided by Cuesta College/ School Districts)
- Title III Wagner-Peyser Act labor exchange and Unemployment Insurance (services provided by California Employment Development Department)
- Title IV Rehabilitation Act programs (services provided by the CA Department of Rehabilitation)

Local elected officials and the local workforce development board will have direct administrative involvement in the Title I "Workforce development" activities (Subtitles A, B, and E) and limited cross-connect involvement with the other WIOA Titles/Subtitles and programs. Title I services focus on quality employment and training services to assist eligible individuals find meaningful employment and is administered by a local workforce board and accountable to the Governor. On May 19, 2015, Board item #34, your Board approved the application for the initial local area designation of a local workforce area and the certification and composition of a local workforce development board as one of the initial implementation steps of the WIOA program. Under WIOA, the current Workforce Investment Board (WIB) will transition to a Workforce Development Board (WDB), changing its title in addition to its composition.

The local workforce board is appointed by your Board and is comprised of representatives from private sector businesses, organized labor, community-based organizations, local government agencies, and local education agencies. The

workforce board is responsible for overseeing the operations of the job center service delivery system, including identifying job center operators, providing policy guidance, overseeing job training activities, distributing WIOA funds, and providing key policy decisions affecting the local workforce development system.

The transition from the former legislation (WIA) to the current WIOA began during the 2014-15 program year (as an initial planning period) and will continue through the 2015-16 program year (as the official transition year). The new WIOA program is to be fully in place and compliant as of July 1, 2016. Details regarding next steps in the implementation of WIOA will be forthcoming, when staff requests your Board's approval of the County's subgrant agreement with the State for receipt of program year 2015-16 WIOA funds.

On March 11, 2008, your Board designated the Department of Social Services (DSS) as the Administrative Entity and Fiscal Agent for the local workforce area. DSS receives WIA/WIOA funds directly from the State, distributes these funds to program providers, issues purchase orders and contracts, provides oversight through annual programmatic and fiscal reviews, and participates in annual State fiscal and programmatic reviews.

Each local workforce area is required to have a full-service "comprehensive" job center providing a one-stop service delivery design with numerous WIOA mandated federal partners including the State Employment Development Department (EDD). This system is the cornerstone of the WIOA and offers multiple local employment services to adult and dislocated workers, youth, and employers. During the 2013-14 program year, the local area joined a national re-branding campaign changing the name of the Business and Career One-Stop center to the America's Job Center of California (AJCC). The AJCC serving San Luis Obispo County functions to sustain the following State plan strategies:

- Training and employment programs that are managed at the local level where business and individual needs are best understood.
- Customers have convenient access to the employment, education, training and information services they need at a single location in their neighborhood (i.e., a one-stop service delivery model).
- Businesses provide information and leadership, and play an active role in ensuring the system prepares people for current and future jobs via participation in the local workforce board.

Goodwill Central Coast (formerly doing business as Goodwill Industries of Santa Cruz, Monterey, and San Luis Obispo Counties) has been doing business and providing workforce services on the Central Coast for over 86 years. Its mission is to provide training and employment opportunities to help people with disadvantaging conditions find employment. In San Luis Obispo County, Goodwill has provided vocational training, employment preparation and job retention services for over 15 years. Since the start of their WIA services contract in 2009, Goodwill has administered WIA services through operation of a one-stop job center site in San Luis Obispo. Goodwill provides services county-wide through the AJCC site as well as remotely through partnering with community agencies to share resources for job-seekers and employers, and by facilitating Job Seekers Academies and participating in community resource fairs. Goodwill also provides workforce services in Salinas, Santa Cruz and Monterey Counties through contracts with a variety of funding sources including county social service agencies, county economic development offices, local regional occupational programs, and private foundations.

WIOA Services Procurement and Contract Award

In compliance with County and WIOA regulations, the County issued a Request for Proposal (RFP) in October 2014 for FY 2015-16 services, with a second and third year option to renew. The RFP was seeking an AJCC one-stop system operator for the provision of WIOA Adult and Dislocated Worker services as well as site management of at least one comprehensive AJCC in the County. One proposal was received in response to the RFP, from the Goodwill. As there was only one response received, a Selection Committee evaluation was not necessary. The proposal was, however, reviewed in accordance with the evaluation criteria detailed in the RFP and found to address all areas of requested service provision as outlined in the RFP. The Workforce Investment Board Executive Committee approved the Goodwill AJCC Operator proposal on January 14, 2015, directing the Administrative Entity/DSS to commence contract negotiations.

Local Implementation of SB-734

SB-734 (DeSaulnier, Chapter 498, Statutes of 2011), which was made effective July 1, 2012, mandates that 25% of the local area's total WIA/WIOA Adult and Dislocated Worker allocation be dedicated to participant training. The SB-734 mandates that the minimum allocated for training may be met either by spending 25% of the local area's total WIOA Adult

and Dislocated Worker allocated funds on training, or by combining a portion (15%) of those funds with leveraged funds. Locally, SB-734 is implemented such that 15% (\$167,155) of the total allocated WIOA Adult and Dislocated Worker funds are allocated to training and the remaining 10% (\$111,437) is met with leveraged resources from a limited number of training funds such as WIOA Youth funds, Pell grants, and other sources. The workforce board has agreed to allow Goodwill to meet the training threshold with a mix of direct training and leveraged funds and closely monitors their progress throughout the contract year. The minimum designation for training increases to 30% of the Adult and Dislocated Worker allocation effective July 2016.

This required increase in funds spent on participant training results in less funding available for personnel and facilities costs and necessitates a move towards more innovative service delivery strategies that emphasize community and web-based access points for WIOA services. Furthermore, due to continued reductions in WIA/WIOA funding to the local area and across the State, a planned closure of the Five-Cities AJCC satellite site occurred at the close of the current 2014-15 program year. Since the 2011-12 program year, Goodwill has seen a decrease of over 60% in Adult and Dislocated Worker contract allocations totaling \$482,581 less in the 2014-15 contract than was awarded in the 2011-12 contract. Due to these budget reductions compounded by the impact of the SB-734 mandate on funds spent on participant training, continued operation of the satellite job center operated by Goodwill in the Five-Cities community was no longer viable. This transition was known at the onset of the 2014-15 program year and was included in the WIA contract letter to your Board on July 22, 2014, Item #19. Knowing the site would close at the end of the 2014-15 program year allowed for a planned closure which permitted time for the development of outreach and service delivery strategies to be implemented in the 2015-16 program year. In the 2015-16 program year, Goodwill will re-allocate building/space and occupancy costs from the Five-Cities satellite center to improve provision of services county-wide through implementing community-based service delivery strategies (described below).

Program Year 2015 -2016 Services

Specific to this contract, Goodwill will be the County's AJCC one-stop system operator providing WIOA Adult, Dislocated Worker and Rapid Response Services. As indicated previously, a separate RFP was released for WIOA Youth services, and thus a separate contract has been developed for the provision of WIOA Youth services. The WIOA Youth services contract for program year 2015-16 is also being brought to your Board for approval on this date, July 7, 2015.

For the 2015-16 program year, Goodwill will provide workforce development services in the community through host locations with community partner agencies as well as operate a comprehensive AJCC site located at 880 Industrial Way, in San Luis Obispo. The site offers an array of mandatory supports that consist of employment services (i.e., assessment, job search, and employment skill development), job training and education programs for job seekers, and comprehensive employer services including resources for placing job orders and obtaining referrals, labor market data and business assistance. A service delivery redesign is necessitated by regulation changes, and re-focusing efforts to better meet underserved communities county-wide in response to the closing of the Five-Cities job center. To accomplish this, Goodwill will implement community-based services, expand center-based services and utilize technology to introduce virtual-based services in the 2015-16 program year.

Program year 2015-16 service delivery changes include:

Job Center Services

- Expand workshop listings to better meet needs of job seekers
- Greater emphasis on customer service at initial point of contact to increase engagement and facilitate access to WIOA-funded training services
- Offer evening hours to better meet the needs of the underemployed

Community-Based Services

- Build upon existing partnerships with library system, Housing Authority San Luis Obispo (HASLO), Sheriff's Office, DSS, and Cuesta to provide services in previously underserved regions
- One-on-one and small group services on a weekly basis (Spanish services provided once a month in each region)
- AJCC staff assigned to a region will conduct community and employer outreach to ensure an active network of referrals and to develop a regional expertise to match job seekers to the needs of local businesses
- Special quarterly events like SLOCares and Job Seeker Academy to generate community interest and foster collaborative partnerships

Virtual Services

- Smart classroom at the AJCC to facilitate virtual access to workshops, recruitment events, and training provided to job seekers throughout our service area
- Provide one-on-one services through the use of technology, through the use of Skype, Facetime, and other video conferencing platforms

The contract with Goodwill also continues the provision of workforce development services aimed at helping job seekers obtain training and find employment, and partnering with business to meet employment needs throughout the County.

The following services will continue to be provided through established service delivery methods including:

AJCC One-Stop System Operator Services

The AJCC one-stop system operator is responsible for the operation and management of the AJCC one-stop delivery system serving San Luis Obispo County, working in consultation with the County, workforce development board and in cooperation with the mandatory AJCC one-stop system partners as specified in the WIOA. Currently the AJCC one-stop delivery system consists of the contractor/WIOA Title 1 programs and the twelve (12) additional partner programs identified under WIOA, some of whom work out of the AJCC. The AJCC operator is responsible for staffing all services necessary to carry out the duties required to operate and manage the following: WIOA Adult and Dislocated Worker programs; Employer Services; performance management, and utilization of the State CalJOBS case management and data reporting system.

Adults and Dislocated Worker Services

These job-seeker services will provide education, employment and training to eligible Adults and Dislocated Workers that will lead to increased employment, job retention and earnings that will improve the quality of the workforce and sustain self-sufficiency. The WIOA Adult program assists adults who are looking for work and unemployed. The WIOA Dislocated Worker program assists workers who have not been employed due to a recognized disaster, permanent plant or facility closing, or mass layoffs. Services will be based at the AJCC SLO site and county-wide through community based services. Services shall include outreach, intake/eligibility, orientation, education/training and other supportive services available through the WIOA funded programs to assist in accessing employment opportunities. These services are offered through WIOA Career Services and WIOA Training Services.

- Career services available to all adults and dislocated workers include:
 - Initial, comprehensive *and* specialized assessment of skill levels, aptitudes, abilities, and supportive service needs;
 - Job search and placement assistance, and career counseling;
 - In-depth interviewing, evaluation and assessment;
 - Group *and* individual counseling, career planning and short-term prevocational skills;
 - Employment statistics information relating to local, regional, and national labor market areas;
 - Assistance in applying for programs of financial aid assistance for training and education programs not funded through WIOA;
 - Internships and work experiences that are linked to careers;
 - Financial literacy services;
 - Supportive services such as child care, transportation, and work/training related expenses;
 - English language acquisition and integrated education and training programs.
- Training Services for WIOA eligible individuals include:
 - Occupational skills training;
 - On-the-Job Training (OJT);
 - Incumbent Worker Training;
 - Programs that combine workplace training with related instruction, including cooperative education programs;
 - Training programs operated by the private sector;
 - Skills upgrading and retraining;

- Entrepreneurial training;
- Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

Employer Services

WIOA Employer Services are aimed at engaging employers across the workforce system to align training with needed skills and match employers with qualified workers. These services include:

- Job recruitment assistance including placing job openings on CalJOBS
- Referral of qualified, job-ready candidates for job openings who have been screened to the criteria and standards specified by the employer (job matching of résumés and applications)
- Information on and referral to business start-up, retention and expansion services
- Information on and referrals to the appropriate sources for developing customized training programs
- Information on career preparation activities
- Information about incentives such as On-the-Job Training (OJT) programs
- Retention services, including work-site assistance
- Identifying funding for and setting up on-the-job training, customized training, incumbent worker training, and English as a Second Language (ESL) and literacy programs for new and incumbent workers, with an emphasis on work-site programs

Rapid Response Employer Services

Rapid response encompasses strategies and activities necessary to provide early intervention to employers to avert layoffs and to assist dislocated workers with the transition to new employment as quickly as possible. Planning for and responding quickly following an announcement of a closure or layoff is essential for effective intervention. Employer services for Rapid Response/Layoff Aversion to be provided by Goodwill will include:

- Assess re-employment prospects for workers in the local community
- Implement recruitment/job development activities
- Establish a process of referring employees to the AJCC one-stop system
- Information about incentives such as On-the-Job Training (OJT) programs
- Coordinate and conduct on-site (at employer) Rapid Response Workshop presentations to assist with career transition
- Participate in the development of a plan for averting layoff(s) with the affected business

OTHER AGENCY INVOLVEMENT/IMPACT

The workforce board and the California Employment Development Department have participated in creating this contract. County Counsel has reviewed and approved the contract as to legal form and effect.

FINANCIAL CONSIDERATIONS

WIA/WIOA program funds are 100% federally funded (distributed to states for allocation to counties) and are distributed to the County via a grant. The annual WIOA Formula Grant estimate is included in the Department of Social Services adopted budget for Fiscal Year (FY) 2015-2016 and will require no county match. These funds will be used to support WIOA direct service programs and administrative and fiscal costs. The total contract amount for the AJCC one-stop system operator contract with Goodwill is \$776,638 comprised of WIA Adult, Dislocated Worker and Rapid Response funds as outlined in the table below:

Funding Source	Contract FY14/15	Contract FY15/16
WIA/WIOA Adult	\$ 366,104	\$ 319,739
WIA/WIOA Dislocated Worker	\$ 402,917	\$ 406,569
WIOA Rapid Response	\$ 0	\$ 50,330
WIA Youth	\$ 610,025	\$ 0*
TOTAL	\$ 1,379,046	\$ 776,638

*WIOA Youth contract allocated in a separate contract in FY 2015-16.

RESULTS

Program Year 2014-15 Performance to date

This is the sixth year that Goodwill has provided WIA AJCC one-stop operator services in San Luis Obispo County. Goodwill's contract with the County encompassed WIA Adult, Dislocated Worker and Youth service provision. Goodwill directly provides the Adult and Dislocated Worker program services through their operation of the AJCC. Goodwill facilitated WIA Youth services via a sub-contract with Cuesta College as the WIA Youth service provider.

Goodwill continued to meet the performance outcomes for community outreach to inform the public of its business offerings and the resources of the San Luis Obispo County AJCC one-stop system. Outreach accomplishments include dissemination of brochures and having the AJCC featured on radio and television news stories related to unemployment and job seeker services. Goodwill continued to meet performance outcome of collecting and analyzing AJCC one-stop system usage data as outlined in their contract including quarterly reporting to the workforce board as requested. Specifically Goodwill tracked universal access customers (specifying the number of total *and* unique customers per month); number of individuals registered into initial/Core level of WIA services and those enrolled into higher tiers of WIA Training and Intensive services.

Goodwill's FY 2014-15 service delivery data as of third quarter, ending March 31, 2015 include:

Service Delivery (as of 3rd quarter – ending 3/31/15)	
<u>WIA Adult & Dislocated Worker Programs</u>	
Active Participants	209
New AJCC Visitors	998
Total Visits to AJCC	14,423
WIA Core Services Registrations	223 (contract goal = minimum of 10% of new visitors)
Orientations Provided	414
Workshops Provided	516
Total Attendees at Workshops	1,790
Employer Recruitment Events	60
Job-Seekers Interviewed at Employer Recruitment Events	283
<u>WIA Intensive/Training Services (Adult & Dislocated Worker)</u>	
Individuals Enrolled	92 (contract goal = 150*)
New On-the-Job Training Placements	13
New Training Enrollments	44 (contract goal = 70*)

WIA Youth Services (via sub-contract with Cuesta College)	
Total In-School Youth Served	45
New In-School Youth Enrolled	28
Total Out-of-School Youth Served	23
New Out-of-School Youth Enrolled	17
Youth participating in Work Experience Programs	21
Workshops Provided	35

*Goodwill's contract goals and progress for WIA Training and Intensive services enrollments are broken down as follows:

	Intensive Services Goal	Training Services Goal	3 rd Quarter Achievement
Adult	75	35	Intensive – 66; Training – 29
Dislocated Worker	75	35	Intensive – 26; Training – 15

Enrollments are continuing through fourth quarter and it is anticipated that Goodwill will meet contract goals for enrollment of Adult workers in WIA Intensive and Training Services. However, the challenges in indentifying eligible Dislocated Workers for enrollment into WIA's initial service level, Core services (46 Dislocated Workers registered to date compared to 177 Adult registrations) is impacting Goodwill's ability to meet the contract goal for Intensive and Training services enrollment for Dislocated Workers. Under WIA, Dislocated Workers are individuals who have recently lost their employment and need to meet specific eligibility criteria that is more detailed and restrictive than requirements for WIA Adult eligibility. With the County's unemployment rate on a continuous decline, averaging approximately 5% this fiscal year, recruitment of job-seekers meeting Dislocated Worker eligibility has proven to be increasingly more challenging. The Employment Development Department (EDD), a co-located partner at the AJCC began implementing workshops during second quarter that focus on bringing in individuals who are seeking or receiving State unemployment benefits, and thus more likely to meet eligibility criteria for WIA Dislocated Worker status. Additionally, Goodwill is putting forth efforts to conduct outreach to business facing layoffs and inform those affected workers about WIA services.

State/Federal mandated WIA performance measures for San Luis Obispo County for program year 2014-15 are shown in the table below. Goodwill is meeting or exceeding all State/Federal mandated performance measures.

	Adult Entered Employment	Adult Retained Employment	Adult Average Earnings	Dislocated Worker Entered Employment	Dislocated Worker Retained Employment	Dislocated Worker Average Earnings	Youth Placement in Educ./ Employment	Youth Attain Degree/ Cert.	Youth Skills Gain
State Mandated Goals	63%	75%	\$12,750	65%	77%	\$14,250	65%	64%	55%
80% requirement to achieve successful performance*	50%	60%	\$10,200	52%	62%	\$11,400	52%	51%	44%
3 rd Quarter Performance	58%	82%	\$11,855	61%	89%	\$17,624	82%	83%	84%
% of Goal Achieved	92%	109%	93%	94%	116%	124%	126%	130%	153%

*Note- Local areas must achieve 80% of State mandated performance goals to be considered as successful performance.

Program Year 2015-16 Performance Goals

Goodwill will meet the following WIOA, State and County performance outcomes:

WIOA Adult Services

- Contractor, with its integrated partners, will register 10% of new AJCC services customers into WIOA Career services.

- Of these Adults enrolled in Career services, a minimum of 25 new adult workers will be enrolled into WIOA Training services.
- Contractor will provide adult workers services that result in a 63% entered employment rate.
- Contractor will provide adult workers services that result in a 75% being employed in the first quarter after the exit quarter (i.e., retaining employment).
- Contractor will provide adult workers services that result in those who exit the program being employed with average annual earnings of \$12,750.
- By the end of the program year, contractor will have spent a minimum of 75% of the required training funds to meet the participant training mandate according to SB 734.
- Contractor will execute a minimum of 15 On the Job Training contracts.
- Contractor will execute a minimum of seven Individual Training Accounts (ITAs) in the Adult Worker funding stream for occupational and skills training.
- Contractor will utilize additional WIOA and SB-734 approved training options, including Contract, Customized and Cohort trainings, to expend a minimum of \$8,000.

WIOA Dislocated Worker Services

- Contractor, with its integrated partners, will register 10% of new AJCC services customers into WIOA Career services.
- Of these Career Services participants, a minimum of 25 new dislocated workers will be enrolled into WIOA Training services.
- Contractor will provide dislocated workers services that result in a 65% entered employment rate.
- Contractor will provide dislocated workers services that result in a 77% being employed in the first quarter after the exit quarter (i.e., retaining employment).
- Contractor will provide dislocated workers services that result in those who exit the program being employed with average earnings of \$14,250.
- By the end of the program year, contractor will have spent 75% of the required training funds to meet the participant training mandate according to SB 734.
- Contractor will execute a minimum of 15 On-the-Job Training Contracts.
- Contractor will execute a minimum of seven ITAs in the Dislocated Worker funding stream for occupational and skills training.
- Contractor will utilize additional WIOA and SB-734 approved training options, including Contract, Customized and Cohort trainings, to expend a minimum of \$8,000.

If this contract is approved, Goodwill will continue to be the primary operator of the AJCC one-stop employment and training service delivery system in our county. AJCC services offer key components for improving performance in essential employment and educational skills for local job seekers and employers. By offering this level of support, it is anticipated that the local workforce will be strengthened and those working will have employment opportunities that support self-sufficiency. These outcomes support the Department and County goal of a strong and viable economy.

ATTACHMENTS

1. Attachment 1 - Clerk's File Statement